BOOKS

FROM PAGE 28

"Our bread-and-butter customers are dealers who do business at auctions," said Gilbert. "A dealer keeps it in his shirt pocket and refers to it when buying or selling a vehicle."

Representatives of financial institutions who rarely leave their offices to attend auto auctions also use the market guide.

National Auto Research employees attend auto auctions nationwide. They report on sale price, vehicle condition, mileage and how clean a vehicle is.

"When the information arrives at the office, we assemble and study it," said Gilbert. "We then make a decision on whether there has been any movement in the market. If the prices on a vehicle are higher than the figure in the Black Book Weekly, then we will raise it."

He said editors do not simply average prices they receive from the company's 50 reporters nationwide. The weather, supply of vehicles at an auction and other factors play a role in determining values.

Black Book Weekly has four regional editions and four categories of vehicles: An extra-clean vehicle shows no wear and has low mileage; a clean car has a few more miles and minimal wear; an average car shows wear, has high mileage and may need new tires; and rough is any vehicle below that standard.

The company publishes wholesale values of vehicles while its sister publication, Black Book Monthly, publishes retail values.

"Loans are 90 percent of clean wholesale," said Gilbert. "Weight and other facts about the car provided by other blue books are not critical to us or our subscribers."

According to Gilbert, Black Book differs from many other market guides because reporters are on site at auctions, appraising vehicles. Even though there are four editions, Gilbert said differences in values across the country are minimal.

"Our primary purpose is to report accurate and timely information to keep the industry's new- and used-car dealers on top of the market," said Gene McDonald, president and publisher.

NADA GUIDES: The NADA Official Used Car Guide is by far the industry leader, with nine regional editions. A majority of subscribers to the monthly publication are dealers and members of the financial community.

Editorial Director James H. Lawrence said NADA launched the guide in 1933 as "NADA's approach to represent all dealers without bias."

Since then, it has grown every year, he said, and NADA has spent a bundle in market research.

Values in the book are based on 15,000 transactions during a 30-day period that include auction and new- and used-car dealer sales reports.

"We receive auction reports and enter that into data banks, along with thousands of dealer sales," said Lawrence. "Then the computer sorts the data. The values in the guide reflect the data."

Average trade-in value listed in the NADA book is the same as wholesale in other books. Loan value is based on 90 percent of average trade-in. Other market data includes average retail price and average loans.

Lawrence said the NADA guide provides subscribers with timely and reasonably accurate market data in addition to a guide to VINs, mileage tables, pictures of models (in special editions four times annually) and a variety of miscellaneous data useful in determining values.

Although Lawrence said there is a trend toward offering electronic values — NADA offers one — he is soft on the future of such "books."

"I can't see the dealer going to an auction carrying a computer in his pocket," he said.

GALVES AUTO PRICE LIST: Harmon Leiman, editor of Galves Auto Price List, said his company began publishing its weekly price guide in 1956. He said 80 percent of the company's subscribers are Eastern seaboard new- and used-car dealers.

Leiman declined to reveal circulation, but industry sources estimate it at roughly 12,000.

The company publishes a weekly used-car market guide and a monthly import-car market guide. Plans to launch a light-truck guide and an older-car price list are under way.

"The truck book is in the offing," said Leiman. "We see a need for it. We conducted a survey and were amazed at how many people wanted the information. There are a lot of old cars on the road and people want market data on them, too."

He said the truck book will include values on vans, utility vehicles, Suburbans and pickups within one ton.

Galves has been in the used-car wholesale business for six decades in New York. The company's core business is buying and selling vehicles wholesale.

Prices in the book are predicated on those sales in addition to input from dealers. Leiman said the company also studies auction reports to research trends and prices.

Generally, Galves publishes lower prices on vehicles than other guide books because wholesalers use it to purchase vehicles.

"We are a buying book specializing in the wholesale market," said Leiman. "Auctions report sales but our prices are established before the sale — they reflect the base wholesale market.

"We don't bother with a lot of symbols and other data," he said. "We are a simplified service for dealers who want to know what the wholesale market is for the Eastern United States."

He said the company publishes the import guide monthly because those prices are relatively stable and there are fewer imports sold.

AUTOMOTIVE MARKET REPORT: Fleet and lease companies and dealers that serve them make up the majority of the 10,000 subscribers to Pennsylvania-based Automotive Market Report.

Started in 1951 by a used-car dealer, the weekly magazine-sized guide reports prices paid for vehicles at auctions.

"We report what has happened instead of projections," said Clyde Hillwig, publisher.

He said automakers base their "guaranteed value programs" on prices in his guide. In the 1960s, Ford launched a marketing strategy to gain a share of the fleet and lease market from Chevrolet, he said.

"Chevrolet had the bulk of the fleet and lease business," said Hillwig. "Ford asked fleet and lease companies to buy their vehicles, telling them they would pay the difference in value between a Ford and a Chevrolet at the end of the lease.

"They continue to base prices for their guaranteed value programs to daily rental companies on the magazine's clean category," he said.

AMR collects weekly sales reports from auctions, then serves up the information in two forms: A recap of prices by region and the actual prices paid for vehicles at auctions.

Hillwig said 14,000 prices are emptied into AMR computers to obtain the value of all clean cars in the order of their price. Median prices on makes and models are selected from the clean category and compared to prices in the previous week's issue to show price increases or declines by zone.

Hillwig said the publication is basically a used-car price guide. Loan value is based on 90 percent of the clean category.

AMR alternates publication of a domestic guide with a foreign-car guide. The guides are biweekly so the company is not behind the market, Hillwig said. If the magazine were produced monthly, the prices would be projections, he said.

"We try to keep people up to date on the current value of cars," he said. "If our subscribers are selling their vehicles to a wholesaler, then they base their prices on Automotive Market Report."

Customers who sell cars to auctions base their prices on a percentage of the AMR clean category, he said.

Hillwig said some leasing companies have an arrangement with auctions whereby they receive 100 percent of the AMR clean category price averaged over a month.

Fleet and lease companies also use the magazine to rate auctions.

KELLEY BLUE BOOK: California-based Kelley Blue Book serves mainly the West Coast, yet the company has 80,000 subscribers nationwide.

"Kelley Blue Book is primarily for car dealers and finance companies, but a lot of the subscriptions are to insurance companies," said Robert Kelley, publisher.

Launched in 1926, the price guide is published six times per year. Kelley said values vary from 2 to 5 percent from one publication to the next.

"There is not an exact price that a used car is worth," he said. "It's not like the stock market. Publishing the book every two months gives the marketplace more stability."

Kelley produces several books including a mobile home guide, motor home guide, a motorcycle guide and its Official Guide for Older Cars.

Values for cars are based on auction reports and opinions of Kelley Blue Book staff members after meetings with dealers and personal contacts with used-car managers.

"Our book gives the used-car manager guidance in appraising his cars," said Kelley.

The guide provides VIN, weight, original list price, wholesale and retail value on used cars and trucks, both domestic and foreign.

Wholesale and retail values are based on clean vehicles fully reconditioned and ready for resale with acceptable mileage.

Kelley Blue Book also has an electronic version of its printed book in addition to an electronic inventory and appraisal service providing current book prices for wholesale and retail market value.

PRICING COMPARISONS

How the used-vehicle price guides stack up

THE VEHICLES: All include factory air conditioning, automatic transmission, power steering and AM-FM stereo; clean condition
- 1987 Ford Escort GL 2-door hatchback, 20,000 miles
- 1986 Chevrolet Cavalier RS 4-door sedan, 30,000 miles
- 1985 Honda Accord LX 4-door sedan, 40,000 miles
- 1984 Dodge Caravan LE, 50,000 miles
- 1983 Toyota Pickup, long bed 4x2, 60,000 miles

THE BOOKS:
- Galves Auto Price List, American and Foreign Editions for week starting June 15, 1988
- Hearst's National Auto Research Black Book Used Car Market Guide, June 1988
- Hearst's National Auto Research Black Book Used Car Market Guide, June 6 East Coast Edition
- NADA Official Used Car Trade-In Guide, June 6, 1988
- NADA Official Used Car Guide, June 1988 Eastern Edition
- Maclean Hunter's National Market Reports, Automobile Red Book Western Edition and The Truck Blue Book, April 1-June 30, 1988 Editions
- Automotive Market Report, June 15, 1988 Domestic Report and June 22, 1988 Import Report
- Kelley Blue Book Auto Market Report, May-June 1988 Western Edition

	1987 Escort		1986 Cavalier		1985 Accord		1984 Caravan		1983 Toyota Pickup	
	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail
Galves	$4,300	$ —	$4,800	$ —	$6,800	$ —	$6,050	$ —	$ —	$ —
Black Book Monthly	5,425	6,100	5,350	6,025	7,975	8,950	7,175	8,050	3,375	3,950
Black Book Weekly	5,360	—	5,315	—	7,935	—	N/A	—	3,315	—
NADA Trade-In Guide	5,425	—	5,400	—	7,900	—	6,950	—	2,975	—
NADA Used Car Guide	5,275	6,200	5,525	6,475	7,025	8,050	6,675	7,728	2,900	3,675
National Market Reports	5,270	5,950	5,425	6,300	5,945	6,950	6,652	8,175	5,270	5,950
Automotive Market Report	4,958	—	4,553	—	5,805	—	5,355	—	2,240	—
Kelley Blue Book	5,525	7,225	5,325	6,970	7,600	9,885	8,250	10,715	3,400	4,755

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DEPRECIATION: *Makers may gain or lose as U.S. reviews practices*

WASHINGTON — The way the auto industry is allowed to depreciate production equipment could change as a result of a study undertaken last week by the U.S. Treasury Department. The study — to be completed a year from now — holds the potential for millions of dollars in tax savings or tax losses for automakers.

The Tax Reform Act of 1986 requires the Treasury to study the depreciation practices of a variety of industries to determine if tax rules covering the "useful life" of depreciable assets are accurate.

Tax experts from the auto industry and the auto parts industry met with Treasury Department officials last week to discuss how the study of the auto industry will be conducted. Lowell Dworin, the department's director of depreciation analysis, said his staff will design a questionnaire as the first step in the inquiry and is seeking industry input for the survey.

Treasury's final report will attempt to gauge how quickly automakers' productive assets wear out and whether they retain value once they are scrapped or sold, Dworin said. The Treasury will use the study to recommend how quickly automakers should be allowed to write off the cost of production investments. Dworin indicated depreciation periods could be lengthened or shortened as a result of the study.

Software links Manheim and customer

Manheim Auctions will dispose of 50,000 lease vehicles for the Pennsylvania-based LeMans Group in an agreement that involved the development of computer software to link the two companies.

"This will provide clients of the Lemans Group with an additional service," said Michael Moumousis, vice president of marketing for the auction chain. "It will reduce the time it takes to bring a lease out of service and to the auctions."

The Lemans Group provides computer software and management services to banks and other financial institutions for the management and accounting of leasing portfolios.

Its computer software offers invoicing, payment processing, management of sales and property taxes, accounting, data entry and tracking of residual value claims.

The agreement with Manheim will enable the company's clients to select vehicles for sale on the computer and transmit the data to Manheim overnight. After the sale, information on LeMans' computers will be updated by the auction company.

LeMans expects an increase in the number of financial institutions that will enter the consumer leasing market as a result of tax reform.

It took the companies a year to develop the software and link their computer systems. "The LeMans Group had the lease portfolio and Manheim had the auctions," said Moumousis. "We developed the software together."

Manheim expects a 20 percent recycling of vehicles annually.

AUCTION BRIEFS

CHARLES THOMAS

Leasing firm picks Anglo

American Auto Leasing Corp. of Warminster, Pa., has selected Nashville-based Anglo American Auto Auctions to remarket 200 of its fleet cars in 1988 and 800 in 1989.

"Because we are primarily a regional company, our volume is moderate but our fleet is spread across the country," said Ken Peacock, fleet disposal manager for American Auto Leasing.

Anglo has conducted auctions for the company's vehicles in Arizona, California, Florida, Georgia, Illinois and Michigan.

"We are finding that small to mid-sized leasing companies such as American Auto Leasing place great value on our regional auctions and our reconditioning services," said Dennis Thee, vice president of marketing for Anglo American Auto Auctions.

"As these companies grow and their fleet disposal needs increase, an agreement with Anglo American means they will not have to hire additional staff to handle the load," he said.

Auction expands

State Line Auto Auction Inc. of Waverly, N.Y., opened its fourth auction lane recently. Founded in 1981, State Line has experienced rapid growth with a current weekly consignment of 600 vehicles.

The auction has 28 acres of parking and a 16,000-square-foot facility. In addition to dealer consignments, the company has Ford Credit and several leasing companies as customers for its Friday auction. Facilities include a reconditioning center and transportation service. It is a member of ServNet.

AUCTION DATES

Chrysler Motors

Aug. 30 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 31 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 1 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 2 — Salt Lake Auto Auction, Salt Lake City, and Manheim Auto Auction, Manheim, Pa.

Sept. 6 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Ford Motor Co.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

Aug. 31 — Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Lakeland Auto Auction, Lakeland, Fla.

Sept. 1 — Nashville Auto Auction, Nashville, Tenn., and Skyline Auto Exchange, Fairfield, N.J.

Sept. 7 — Atlanta Auto Auction, Red Oak, Ga., and Newburgh Auto Auction, Newburgh, N.Y.

Sept. 8 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

General Motors

Aug. 30 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Aug. 31 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 1 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, St. Louis; and Utah Auto Auction, West Bountiful, Utah

Sept. 7 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Sept. 8 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Colorado Auto Auction, Commerce City, Colo.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Used Car Sales
Auction Averages

August '88	$8,224
Month ago	$5,776
Year ago	$6,070

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$14,132	$11,408	$12,545
1987	$8,003	$8,407	$8,668
1986	$7,105	$6,830	$7,327
1985	$5,869	$5,881	$5,881
1984	$4,405	$4,378	$4,534
1983	$3,649	$3,718	$3,721
1982	$2,631	$2,464	$2,529
1981	$1,851	$1,952	$1,932
Overall Average	$8,224	$5,955	$5,800

STUDY

FROM PAGE 1

average — primarily due to insufficient profitability. The worst score went to Nissan which, according to the formula, is the sickest of the dozen companies evaluated.

The new analytical approach leads to different conclusions than might be drawn by just comparing the companies' financial data.

Toyota, for example, appears to have the largest financial muscle of the dozen carmakers analyzed because of its cash position. But Toyota's overall ranking suffers because the formula gives the automaker a low score on future prospects because of its sales growth rate and investment as a percentage of sales.

On the other hand, Chrysler shows the least liquidity of the 12 — as measured by the formula — but is well set for the future, the study says.

"Capitalyse" differs from other systems by trying to overcome oddities in national accounting rules and laws in comparing international competitors. The data was pulled from annual reports over the last four years.

The scores are based on a priority-weighted compilation of three basic factors: financial structure, profitability and "prospects." Profitability, which is deemed most important, is weighted by a factor of five. Future prospects and financial strength are assigned factors of four and three, respectively.

The financial structure score is based on analysis of three criteria: capital, liquidity and cash flow as a percentage of debt.

The profitability score is derived from yield on sales, owned capital and total capital. Future prospects are based on the rate of sales growth over the last four years; sales as a percentage of inventory and marketing costs; and investments as a percentage of sales.

Chrysler finished number one in "prospects," Ford ranked first in profitability, and Toyota was tops in financial strength.

According to the magazine: "Ford and Chrysler are in almost all respects so markedly ahead of the industry averages they they leave all of their competitors far behind."

Chrysler's high ranking of 45.7 percent above the average of the 12 resulted from a combination of healthy prospects and its high relative profitability.

Honda ranked just over the industry average despite a measure of financial strength and a good record of profitability. It did poorly in the prospects analysis because recent sales growth rate, inventory/marketing costs and investment levels were judged below average.

Four makers came out below average in the overall scoring: GM, VW, Renault and Nissan.

GM stood just above average in the financial structure category d spite registering a minus result in cash flow as a percentage of capital.

But the world's largest carmaker was well below the 12-company standard in profitability — reflecting earnings as a percentage of sales and capital. GM's prospects also looked sour under scrutiny. The reason: poor sales growth and low sales as a percentage of inventory/marketing costs.

Even lower was VW, Europe's sales leader for the past three years. VW's big problem is its low margins — something the company is trying to address by cutting costs and improving sales mix.

Chrysler scored 73.8 percent over the industry average in the tabulation of "prospects" — the best single score in any of the three main categories.

It ranked second only to Fiat in volume growth rate; second to BMW in sales as a proportion of inventory and marketing costs; and first in investment as a proportion of sales.

Chrysler finished just below the 12-company average in the assessment of financial structure. Its weakest point is the lowest liquidity rating of all manufacturers compared.

"It doesn't mean Chrysler has problems paying," said Seyfried. "This compares Chrysler with 11 other very successful auto manufacturers."

Ford finished second at 39.8 percent above industry average. It's greatest strength is profitability, finishing tops in the category with the best pretax earnings ratio last year and second best over the past four years.

Ford has the second-strongest financial structure after Toyota, and is rated well ahead of the industry average in the "prospects" category.

Third-place Daimler-Benz finished 20.3 percent above industry average, scoring best on its record of profitability.

Though the company doesn't break out its passenger-car earnings, many analysts believe it had been the world's most profitable carmaker up until the dollar plunge.

Toyota placed fourth in the standings and rated far and away as the financially strongest automaker. The German auditors pegged it No. 1 in owned capital as a percentage of overall capital, liquidity and capital as a percentage of debt.

But like the two other Japanese makers, Toyota was assessed a below-average ranking for "prospects," falling below the industry average in sales growth rate and investment as a percentage of sales.

Renault pulled out of the red last year, but its staggering debt structure left it in 11th place among the dozen companies. Its financial structure and profitability rated the worst of the 12, even though its prospects score was higher than GM and Honda.

Nissan earned last place by doing poorly in all three categories. Its biggest downfall is a shaky outlook for the future.

The analysis judged Nissan far below the industry average in investment as a percentage of sales, and in its record of sales growth.

But the results in no way suggest Nissan is about to go under, says Seyfried.

"When you are starting a system there are things you can't really explain," he said. "Nissan earns money and nobody expects it to go bankrupt."

FINANCIAL STRUCTURE

	% Owned Capital	Owned & Long Term Borrowed Capital as % of Fixed Assets	Cash Flow as % of Borrowed Capital	Total, +/– Average
Toyota	62.8	149.1	28.9	+53.8
Ford	41.4	99.0	29.7	+29.8
Daimler-Benz	21.8	155.5	23.2	+15.4
Honda	44.4	115.1	20.6	+11.8
BMW	32.0	103.7	23.9	+ 9.9
General Motors	38.0	125.4	17.8	+ 3.2
Chrysler	32.6	87.9	19.5	– 5.4
Fiat	28.8	136.1	15.6	– 5.6
Peugeot	27.5	98.9	19.1	– 6.7
VW	26.8	101.1	18.5	– 8.1
Nissan	36.9	115.3	0.5	–45.9
Renault	–2.1	91.8	9.5	–52.3
Average	32.6	114.9	18.9	

PROFITABILITY

	Pretax profit as % of sales 1987	Pretax profit as % of sales Last 4 years	After Tax Profit as % of Owned Capital	Yield vs. Total Capital Last 4 Years	Total, +/– Average
Ford	10.3	8.7	25.0	15.7	+59.2
Chrysler	8.3	9.8	19.8	16.1	+54.0
Peugeot	8.8	5.1	32.9	13.1	+35.9
Daimler-Benz	7.3	8.7	17.5	14.2	+32.2
Toyota	7.8	9.6	8.5	14.9	+30.8
Honda	5.9	8.4	11.1	16.4	+21.5
Fiat	7.8	7.8	17.5	8.2	+16.6
BMW	4.7	6.0	11.4	12.1	– 6.1
General Motors	3.5	4.1	10.7	7.9	–33.6
VW	2.1	2.8	5.1	7.2	–53.4
Nissan	2.2	3.0	1.4	6.3	–56.5
Renault	2.4	–3.6	0.0	3.4	–98.6
Average	5.9	5.9	13.4	11.4	

PROSPECTS

	Dollar Sales Growth (%) Last 4 Years	Sales Rate as % of Inventory & Marketing Costs	Investment as % of Sales	Total, +/– Average
Chrysler	14.4	839.6	24.4	+73.8
BMW	11.8	1349.9	15.1	+54.9
Fiat	18.0	229.7	16.0	+33.8
Ford	13.1	668.1	12.9	+22.9
Daimler-Benz	13.3	348.7	12.7	+ 9.1
VW	5.8	637.8	16.2	+ 4.2
Peugeot	9.1	437.6	9.5	–13.9
Toyota	3.4	697.1	11.3	–18.7
Renault	11.2	434.0	5.4	–19.4
General Motors	5.0	332.3	12.3	–25.3
Honda	5.2	506.3	8.9	–28.3
Nissan	– 1.2	427.0	– 0.3	–87.2
Average	9.0	575.7	12.0	

TRANSPLANT

FROM PAGE 1

plants as the basis for comparison, the results show the Japanese to be significantly worse in black hiring — 13 percentage points worse for the 51 Japanese auto parts plants studied, 14 points worse for Nissan in Tennessee, 16.5 points worse for Honda in Ohio and 23.7 points worse for Mazda in Michigan.

The research, however, falls short of lauding the American manufacturers, suggesting that high levels of black hirings in greenfield plants were in part a result of worker recall rights under UAW contracts. And, in its conclusions, the study says newer American auto plants can be expected to follow the Japanese lead and limit the number of blacks in their workforces.

The researchers, sociologist Robert E. Cole and urban geographer-sociologist Donald R. Deskins Jr., suggest that Japanese manufacturers systematically located their U.S. plants in rural areas with "very low black populations" in comparison to developed industrial areas that were the traditional centers of American manufacturing.

But their study adjusted for those factors and compared the percentages of blacks within 26-mile commuting distances of the plants with the percentages of blacks hired at the plants. Those comparisons found substantial differences between new domestic plants and the Japanese transplants.

BLACK WORKER HIRING BY JAPANESE TRANSPLANTS

	A Blacks within commuting distance of plants (%)	B Blacks employed in plants (%)	C A-B difference
GM-U.S. greenfield sites	16.6	25.4	+ 8.8
51 Japanese auto parts plants	12.6	8.4	– 4.2
Nissan	19.3	14.0	– 5.3
Honda	10.5	2.8	– 7.7
Mazda	29.0	14.1	–14.9

The findings come less than two weeks after Michio Watanabe, leader of Japan's ruling political party, made derogatory statements about blacks, reviving the memory of similar comments made by Japan's previous prime minister, Yasuhiro Nakasone. Earlier this month, current Prime Minister Noboru Takeshita apologized to the Congressional Black Caucus for the Watanabe statement.

Spokesmen for Mazda, Nissan and Honda either dispute the findings or deny that they indicate discrimination.

A Honda spokesman said that the company has had an agreement with local Ohio community leaders in Union and Logan counties to hire locally. "Commuting radius has nothing to do with the way we planned to build in the community," he said.

Bucky Kahl, Nissan director of human resources, said that Nissan chose to locate in Smyrna after "a careful search. The company was looking for a talented and dedicated workforce, easy access to suppliers, access to markets and a supportive business climate."

Kahl said that in the standard metropolitan statistical area designated by the Equal Employment Opportunity Commission as potentially supplying the Smyrna workforce, blacks represent 8-9 percent.

But he said Nissan chose to include Nashville in the selection area, which changed the percentage of available blacks to 17.2 percent. Of the production workers, who are recruited locally, 16.9 percent are black, he said.

When salaried workers, who are recruited nationally, are included, the total black workforce at Nissan is 14.4 percent, the spokesman said.

A Mazda spokesman said, "Currently, the total black population at Mazda is 14 percent — well within the guidelines indicated by the standard metropolitan statistical area, but a little below what we'd like it to be."

The spokesman said Mazda would like to hire more blacks in skilled trades but they are not available in the labor pool.

The Mazda spokesman said, however, that the company is "far exceeding its objectives in hiring black officials and managers. We're way above the EEOC guidelines."

An EEOC spokesman said that using standard metropolitan statistical areas is only one step and that "the appropriate labor pool for each plant is a case by case decision."

Cole said EEOC guidelines are often based on "the experience of firms in the local labor market" and that EEOC laborshed guidelines are not satisfactory. Hence, he used another method — a "gravity model" — to determine the laborshed for the plants studied. Cole's study focused on the population living within an average 26-mile commute of the auto plants.

Though they constitute about 11 percent of the U.S. labor force, blacks made up about 17.2 percent of the workforce in the Big 3 in 1984, the study says.

The authors wrote that if the auto industry fails to continue to provide opportunities for blacks, the result will be a polarization of American society and a burgeoning of the permanent underclass.

Their study showed that the percentage of black workers at greenfield sites — 25.4 percent — is actually higher than the percentage of blacks in the commuting area, 16.6 percent. But the authors suggest that disparity will disappear as workers retire and new employees are hired locally.

The greenfield plants studied were GM plants built since 1980: Detroit-Hamtramck; Fort Wayne, Ind.; Fairfax, Kan.; Wentzville, Mo.; Lake Orion, Mich.; Shreveport, La.; Oklahoma City; and Saturn in Spring Hill, Tenn.

Also studied were seven Japanese assembly plants, focusing on the three with full workforces at the time of the study: Mazda Motor Manufacturing (U.S.A.) Corp. in Flat Rock, Mich.; Nissan Motor Manufacturing Co. U.S.A., in Smyrna, Tenn.; and Honda of America Manufacturing Inc. in Marysville, Ohio.

The study also considered 51 Japanese auto parts plants.

The authors said they assumed that all the whites and blacks in the laborshed were "equally available" to work at the plants. But Cole said that — in reality — fewer white workers would choose to apply for a job at an auto plant, based on other opportunities available.

The study also looked at 21 Big 3 plants built before 1980 and 31 plants that had been extensively modernized since 1980.

The percentage of blacks within the 26-mile commuting distance was highest at Big 3 traditional plants — 19.8 percent — and lowest at the Japanese assembly plants — 12.8 percent — with the greenfield sites coming in at 16 percent.

The authors pointed out that in a county with 50,000 available workers, "The GM greenfield sites at 16 percent may be viewed as 'only' 3.2 (percentage points) above the 12.8 percent of the Japanese OEM plants. But that represents a 25 percent higher potential black employment . . . an extra 1,600 potential black jobs. For an assembly plant employing 5,000 workers, that would mean an extra 160 expected black jobs."

DOMESTIC SALES

	Aug. 11-20, 1988	Aug. 11-20, 1987
Eagle	1,272	565
Chrysler	5,908	10,830
Plymouth	8,034	6,487
Dodge	10,771	8,318
Chrysler Motors	25,985	26,200
Ford	40,852	45,853
Mercury	14,424	16,295
Lincoln	4,908	4,759
Ford Motor Co.	60,184	66,907
Buick	15,538	20,150
Cadillac	6,713	10,840
Chevrolet	31,798	46,688
Oldsmobile	18,784	28,063
Pontiac	15,563	21,146
General Motors	88,394	126,887
Volkswagen	—	1,594
Honda	9,256	7,563
Nissan	4,182	4,380
Toyota	1,429	1,188
Mazda	1,015	—
U.S. Industry Total	190,445	234,719

New Montero a key to Mitsubishi dealer rise

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

CORONADO, Calif. — Mitsubishi Motor Sales of America will use the new Montero four-door sport-utility vehicle to fuel greater growth in its dealer network.

Richard D. Recchia, executive vice president and chief operating officer, projects annual sales of the new 1989 model at 12,000 units, with two-door versions accounting for an additional 5,000. Four-door V-6 Monteros will carry price tags ranging from $17,099 to $18,389, while two-door models are priced from $12,299 to $15,399.

The new models go on sale Sept. 5.

"We believe that instead of buying a four-door sedan, many prospects will decide to 'stand-out from the crowd' by purchasing a four-door/four-wheel-drive vehicle that reflects his or her distinctiveness, as well as adventurous spirit," Recchia said.

"Based on the profile of buyers in this market and based on the fact that our principal competition will be the Jeep Cherokee and the Isuzu Trooper, we anticipate that the median age of our buyers will be 37 years with relatively high demographic characteristics, with 75 percent of our buyers being male, 60 percent college graduates and 85 percent married," he said.

Recchia: "We believe that instead of buying a four-door sedan, many prospects will decide to 'stand-out from the crowd' by purchasing a four-door/four-wheel-drive vehicle that reflects his or her distinctiveness, as well as adventurous spirit."

The introduction of Montero, along with the earlier debuts of Galant and Mirage and the anticipated launch of the Eclipse from Diamond-Star Motors Corp. in January, has created a renaissance in terms of Mitsubishi product offerings in the United States, Recchia said.

"Accordingly, because of the strength of our product offering and because of the availability of additional volume from Diamond-Star, Mitsubishi is now in the process of a major expansion of our dealer network," Recchia said.

Mitsubishi now has 193 full-line dealers and 14 truck-only outlets. Plans call for 235 dealers by the end of 1988 and 350 by the close of 1989, with most of the new points opened in the Midwest and Northeast.

"Then in 1990, as Diamond-Star reaches full capacity, MMSA will add an additional 50 dealers, ending the 1990 calendar year with a total of 400 dealers in 130 markets," he said.

"Our total sales volume for cars and trucks during that period is forecast to be approximately 200,000 units for 1989 and over 240,000 units for 1990."

Recchia said the company is constructing new regional offices in Orlando, Fla., and Dallas that will complement the current regional facilities in Bridgeport, N.J., and Los Angeles.

He said the firm also is finalizing plans for the opening of a fifth region. It will be headquartered in Chicago and will be in operation in January. A parts depot under construction in Atlanta is scheduled to be open next spring.

Dull days: Car sales decline 19%

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Lacking the stimulus of last year's incentives, this year's mid-August domestic car sales declined almost 19 percent.

Deliveries for Aug. 11-20 totaled 190,445 cars, 18.86 percent below the 234,719 sold during the year-ago period.

The daily selling rate fell to 21,161 from 26,080 last year. There were nine selling days in both periods.

Four of the U.S. automakers reported decreases for the mid-August period, while sales rose for two transplant companies.

General Motors' sales of 88,394 cars dipped 30.34 percent from the 126,887 delivered in the Aug. 11-20 period of 1987.

Ford Motor Co.'s sales dropped 10.05 percent to 60,184 vs. 66,907 last year.

Chrysler Motors' sales were almost unchanged at 25,985 cars, 0.82 percent below the 26,200 sold in the comparable nine days of 1987.

Nissan reported 4,182 cars sold in mid-August, 4.52 percent below the year-earlier period's 4,380.

Honda sales jumped 22.39 percent to 9,256 units vs. 7,563 last year.

Toyota posted an increase of 20.29 percent. Its car sales of 1,429 compared with 1,188 during mid-August 1987.

Mazda sold 1,015 cars in this year's 10-day span. The company had not begun producing cars in the United States during the comparable period of 1987.

Belt use is 43%, NHTSA study finds

WASHINGTON — Safety belt use by drivers has reached a record high 43 percent.

Secretary of Transportation James Burnely said NHTSA studies in 19 U.S. cities found that 43.4 percent of drivers are now wearing safety belts. In 1982, before NHTSA began a nationwide campaign to encourage belt use and state adoption of mandatory belt-use laws, 11 percent of drivers used safety belts.

Burnley said, "Among front-seat passenger-vehicle occupants (passenger cars, light trucks and vans), safety belts saved about 4,000 lives in 1987. From 1983 through 1987, safety belts have saved nearly 11,000 lives — 6,900 due to belt-use laws."

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As announced in its Aug. 1 bulletin to all its dealers, and as reported in USA today and in the Wall Street Journal of Aug. 2, Rusty Jones "will no longer extend any warranties...related to Rusty Jones products, including anti-rust, gloss, fabric, vinyl/leather, and sound treatments...such products are being sold 'as is'."

Chief reason for this decision "was the introduction in January 1987 of limited six and seven year rust preventive warranties on virtually all domestic automobiles."

Smart dealers everywhere are profiting by wising up car buyers to the fine-print facts on the 6/60-7/70 warranties: that the 6-7 year provision covers only "outer-body perforation," merely ONE year for other rust...that the 6/60-7/70 warranties stop when inner-body rust often starts, at only ONE year.

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PRODUCTION

Car output climbs 13% to 123,797

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production of 123,797 increased 13.36 percent over the prior week's 109,208 and was 5.61 percent more than the year-ago week's 117,220.

So far this year, 4,483,516 cars have been built, 4.70 percent less than the 4,704,707 completed last year at this point.

Last week's scheduled auto production was shared as follows: General Motors, 53.60 percent; Ford Motor Co., 23.34 percent; Chrysler Motors, 8.56 percent; Honda of America Manufacturing Inc., 6.04 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.51 percent; New United Motor Manufacturing Inc., 2.63 percent; Nissan Motor Manufacturing Co. U.S.A., 2.32 percent.

Truckmakers scheduled output of 78,728 units last week, 5.98 percent more than the previous week's 74,289 and 21.41 percent more than the year-ago week's 64,844.

Year-to-date, 2,689,273 trucks have been assembled, 8.60 percent more than the 2,476,345 built last year at this time.

GM's Detroit-Hamtramck and Orion Township, Mich., plants reopened last week after being shut down for model changeover.

Chrysler's Jefferson Avenue plant in Detroit resumed output today after being idle for model changeover.

As reported earlier, Ford's Lorain, Ohio, plant remains idle for changeover to the new Thunderbird and Cougar models. The plant is slated to resume output in early October.

Chrysler's Newark, Del., facility remains closed for model changeover until mid-October.

GM slated overtime last Saturday at Buick City in Flint, Mich., and at Wilmington, Del.

Ford's Edison, N.J., plant was slated for overtime last Saturday.

Daily overtime is scheduled this week at all Ford plants except Lorain and Edison.

Chrysler's St. Louis and Toledo, Ohio, plants were slated for overtime last Saturday.

Canadian cars move up 25%

Canadian automakers scheduled production of 20,818 cars last week, 25.70 percent more than the prior week's 16,562 and 67.00 percent more than the year-ago week's 12,466.

The year-ago week's output was affected by downtime for model changeover.

So far this year, 708,518 cars have been assembled, 43.64 percent more than the 493,261 built last year at this point.

Targeted truck output of 20,002 last week increased 6.15 percent over the previous week's 18,843 and was 29.58 percent more than the year-ago week's 15,436.

Year-to-date, 592,626 trucks have been built, 10.47 percent more than the 536,462 completed last year at this time.

Volvo's plant in Halifax, Nova Scotia, resumed output today. †The plant had been idle for vacation.

U.S. CAR	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	0	53,889	32,997
Sundance	1,300	1,554	392	4,505	67,180	61,762
Reliant	0	3,091	0	0	56,260	76,427
Caravelle	0	641	0	0	9,087	32,468
Gran Fury	200	121	154	515	15,582	3,908
Total Plymouth	1,500	5,407	546	5,020	201,958	207,562
LeBaron K	0	987	0	0	7,912	47,724
LeBaron J	1,300	2,271	690	2,708	48,111	75,174
LeBaron GTS	100	776	0	380	6,105	26,467
N. Yorker E-Class	0	1,771	0	0	0	53,475
N. Yorker C-Class	1,700	266	1,366	5,231	68,464	414
Fifth Avenue	800	1,198	926	2,529	18,323	33,538
Total Chrysler	3,900	8,069	2,982	10,857	149,215	236,792
Omni	0	0	0	0	52,802	28,363
Daytona	1,300	1,525	631	2,670	47,634	37,247
Shadow	1,300	1,735	492	4,278	65,934	63,587
Aries	0	2,681	0	0	54,570	71,566
Dodge 600	0	528	0	0	8,549	29,042
Dynasty	2,300	139	1,901	6,746	66,112	0
Lancer	100	445	0	280	5,908	16,550
Diplomat	200	389	385	828	13,196	7,054
Total Dodge	5,200	7,442	3,399	14,802	314,505	253,409
CHRYSLER MOTORS	10,600	20,918	6,927	30,739	665,678	713,757
Escort	7,109	6,996	9,318	33,698	254,453	246,459
Mustang	4,100	4,457	3,396	13,023	131,686	140,242
Tempo	3,168	0	2,145	11,436	121,929	99,830
Taurus	6,085	5,714	7,620	28,422	257,999	273,126
Thunderbird	0	2,263	0	0	90,246	104,341
Total Ford Div.	20,462	19,430	22,479	86,579	856,293	863,998
Lynx	0	0	0	0	0	21,352
Topaz	1,191	0	862	4,585	46,044	32,858
Cougar	0	2,233	0	0	69,686	92,583
Sable	2,056	1,916	2,483	9,433	88,196	87,353
Total Mercury	3,247	4,149	3,345	14,018	203,926	234,146
Continental	1,727	0	1,293	4,944	29,883	9,610
Mark VII	863	695	647	2,468	16,075	18,120
Lincoln	2,595	3,469	1,946	7,436	84,862	91,184
Total Lincoln	5,185	4,164	3,886	14,848	130,820	118,914
Total L-M Division	8,432	8,313	7,231	28,866	334,746	353,060
FORD MOTOR CO.	28,894	27,743	29,710	115,445	1,191,039	1,217,058
Skyhawk	480	1,093	346	943	10,894	19,278
Skylark/Somerset	1,599	1,454	777	2,660	30,832	41,026
Century	3,750	3,144	2,739	7,632	71,955	113,493
Regal (rwd)	0	647	0	0	0	30,436
Riviera	75	0	2	77	3,719	8,501
Electra	1,231	1,887	1,160	4,326	55,625	59,525
LeSabre (fwd)	3,445	4,464	2,570	9,845	84,944	91,436
LeSabre (rwd)	50	112	89	434	6,558	6,142
Reatta	220	0	168	605	6,060	0
Total Buick	10,850	12,801	7,851	26,522	270,587	369,837
Cimmaron	0	134	0	0	3,693	7,742
Eldorado	269	0	214	483	23,893	12,720
Seville	192	0	108	300	14,788	10,534
Brougham (rwd)	915	1,661	628	2,423	20,748	45,028
Deville (fwd)	1,045	813	0	1,045	98,332	94,549
Allante	0	0	0	0	1,135	3,441
Total Cadillac	2,421	2,608	950	4,251	162,587	174,014
Cavalier	6,102	2,439	6,926	23,320	235,052	209,194
Camaro	1,738	2,973	688	2,426	56,713	83,161
Celebrity	3,605	4,125	3,621	12,555	118,992	200,431
Corsica/Beretta	9,278	7,551	9,335	35,781	267,758	213,793
Monte Carlo	0	1,759	0	0	0	45,391
Caprice	4,218	2,100	3,900	16,322	137,470	124,315
Corvette	440	162	450	1,792	14,538	18,286
Total Chevrolet	25,381	21,109	24,920	92,196	830,523	894,571
Calais	2,711	2,112	1,373	4,590	69,840	74,481
Firenza	0	456	0	0	5,230	3,214
Cutlass Ciera	318	0	198	516	14,067	99,968
Cutlass Supreme	2,480	1,703	1,341	3,821	94,301	50,315
Toronado	213	0	109	322	10,531	10,127
88 (fwd)	2,871	1,079	2,971	11,067	101,091	111,907
88 (rwd)	255	0	226	928	8,098	10,656
Olds 98	1,089	3,860	1,014	3,820	48,945	44,286
Total Oldsmobile	9,937	9,210	7,232	25,064	352,103	413,548
Sunbird	2,978	384	1,110	6,384	69,208	60,872
Grand Am	4,800	4,793	3,830	11,689	150,021	159,165
Firebird	1,223	1,628	482	1,705	39,318	54,649
Grand Prix	4,060	0	3,677	10,420	82,336	0
Pontiac 6000	2,145	2,129	2,130	7,473	50,411	52,400
Bonneville	2,425	2,527	2,255	8,842	72,845	84,391
Safari/Parisienne	135	164	117	515	5,314	6,735
Fiero	0	0	191	1,159	13,260	20,689
Total Pontiac	17,766	11,625	13,792	48,187	482,713	438,901
GENERAL MOTORS	66,355	57,353	54,745	196,220	2,098,513	2,290,871
HONDA	7,477	5,039	7,241	29,733	240,861	219,771
Civic	2,613	274	2,572	10,128	68,982	71,648
Accord	4,864	4,765	4,669	19,605	171,879	148,123
MAZDA†	4,351	0	4,600	17,011	76,706	0
NISSAN	2,870	2,591	2,809	11,459	70,452	87,731
NUMMI	3,250	3,576	3,176	13,009	104,672	132,390
Corolla	1,200	755	1,133	4,698	38,274	27,870
Nova	2,050	2,821	2,043	8,311	66,398	104,520
VOLKSWAGEN	0	0	0	0	35,596	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	123,797	117,220	109,200	413,616	4,483,516	4,704,707
Total Cars, Canada	20,818	12,466	16,562	55,694	708,518	493,261
U.S., Canada Cars	144,615	129,686	125,770	469,300	5,192,034	5,197,968
U.S., Canada Cars and Trucks	243,345	209,966	218,902	820,617	8,473,933	8,210,775

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Eagle	0	—	0	0	0	—
Premier	946	—	148	1,094	40,078	—
CHRYSLER MOTORS	946	109	148	1,094	40,078	3,617
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,626	—	3,676	12,847	118,471	—
Topaz	1,813	—	1,875	6,330	44,052	—
Crown Victoria	2,804	—	2,313	8,180	83,777	—
Grand Marquis	2,956	—	2,357	8,433	84,200	—
FORD MOTOR CO.	11,199	3,884	10,221	35,770	330,500	300,181
Celebrity	682	—	680	1,703	14,674	—
Cutlass Ciera	2,721	—	2,194	6,372	161,526	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	3,920	—	2,064	6,325	100,964	—
GENERAL MOTORS	7,323	7,892	4,938	14,400	306,839	173,538
Civic	1,350	—	1,255	4,420	24,885	—
Accord	0	—	0	0	1,828	—
HONDA	1,350	356	1,255	4,420	26,713	9,283
VOLVO	0	225	0	0	4,388	6,642
Total Cars, Canada	20,818	12,466	16,562	55,694	708,518	493,261

U.S. TRUCK☆	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Caravan	2,200	—	1,447	6,214	80,987	—
Dakota	1,800	—	1,818	6,089	68,323	—
Mini-Ram Van	100	—	72	280	9,019	—
Pickups	1,800	—	1,808	6,085	46,801	—
Total Dodge	5,900	7,496	5,145	18,668	185,130	174,451
Cherokee	4,200	—	3,921	11,083	116,704	—
Commanche	1,000	—	930	2,651	29,652	—
Grand Wagoneer	300	—	346	944	9,159	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	295	646	6,878	—
Total Jeep	5,700	4,583	5,492	15,324	162,393	137,137
Voyager	2,100	—	1,405	5,966	57,463	—
Total Plymouth	2,100	—	1,405	5,966	57,463	—
CHRYSLER MOTORS	13,700	12,078	12,042	39,958	404,986	311,588
Aerostar	4,774	—	4,390	17,361	131,250	—
Bronco	821	—	635	1,997	35,651	—
Bronco II	2,945	—	2,813	11,371	84,883	—
Econoline	4,809	—	4,546	17,293	153,921	—
Heavy trucks	1,090	—	1,317	5,313	43,578	—
Light trucks	8,134	—	8,047	31,927	319,316	—
Ranger	7,104	—	6,290	27,156	231,357	—
Total Ford Div.	29,677	25,720	28,038	112,418	1,000,956	966,658
FORD MOTOR CO.	29,677	25,720	28,038	112,418	1,000,956	966,658
Astro	2,987	—	2,991	12,000	115,587	—
Blazer	459	—	164	623	17,216	—
Mediums/Heavies	420	—	388	2,591	13,163	—
P-Model	891	—	945	2,560	26,821	—
Pickups	6,485	—	6,484	26,420	227,681	—
S-10	6,940	—	6,991	25,328	200,841	—
S-10 Blazer	1,440	—	1,794	6,895	106,665	—
Sportsvan/Van	1,817	—	1,814	7,342	61,857	—
Suburban	1,190	—	493	1,683	46,252	—
Total Chevrolet	22,629	15,590	22,044	85,442	816,083	752,127
Jimmy	135	—	42	177	4,999	—
Mediums/Heavies	680	—	716	2,483	26,099	—
P-Model	129	—	67	302	3,611	—
Pickups	1,995	—	2,013	7,622	70,283	—
S-15	1,355	—	1,386	5,076	45,118	—
S-15 Jimmy	380	—	580	4,189	30,229	—
Safari	773	—	796	3,085	29,434	—
Suburban	592	—	132	724	20,413	—
Vandura/Rally Vans	563	—	564	2,059	23,211	—
Total GMC	6,582	5,081	6,278	25,717	253,397	253,909
GENERAL MOTORS	29,211	20,680	28,322	111,159	1,069,480	1,006,036
NAVISTAR	2,000	1,488	1,725	7,690	56,804	48,040
NISSAN	1,390	2,128	1,412	5,625	64,097	56,315
AM GENERAL*	450	450	450	1,800	15,210	9,810
MISCELLANEOUS*	2,300	2,300	2,300	9,200	77,740	77,900
Total Trucks, U.S.	78,728	64,844	74,299	287,850	2,689,273	2,476,345

CANADIAN TRUCK	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Caravan	3,372	—	3,270	11,458	92,282	—
Mini-Ram Van	204	—	213	723	8,645	—
Ram Wagon	548	—	597	2,198	15,944	—
Ram Van	1,394	—	1,480	5,749	42,458	—
Total Dodge	5,518	7,337	5,560	20,128	159,329	286,255
Voyager	2,568	—	2,486	8,494	81,877	—
Total Plymouth	2,568	—	2,486	8,494	81,877	—
Wrangler	1,248	—	1,110	4,260	31,950	—
Total Jeep	1,248	778	1,110	4,260	31,950	22,100
CHRYSLER MOTORS	9,334	8,115	9,156	32,882	273,156	286,355
FORD MTR. (lt. trks.)	3,648	1,090	3,613	12,432	107,233	97,209
Light trucks	3,264	—	3,601	10,019	98,688	—
Vans	1,360	—	466	1,826	36,931	—
Total Chevrolet	4,624	—	4,067	11,845	135,619	—
Light trucks	1,536	—	1,482	4,456	49,844	—
Vans	590	—	255	845	19,449	—
Total GMC	2,126	—	1,737	5,303	69,293	—
GENERAL MOTORS	6,750	5,998	5,804	17,148	204,912	144,720
NAVISTAR	270	224	270	1,005	7,325	6,178
Total Trks., Canada	20,002	15,436	18,843	63,467	592,626	536,462
U.S., Canada Trks.	98,730	80,280	93,132	351,317	3,281,899	3,012,807

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

September 5, 1988

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Daewoo chief won't bend knee to GM

His moves ruffle Detroit's feathers

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Free-wheeling Daewoo Group Chairman Kim Woo-Choong has struck a deal to sell his Opel-based cars to Czechoslovakia and is also courting the Hungarians. In the process, he may be charting a course through stormy waters with his partner, General Motors.

While trying to open the Eastern Bloc to his cars, Kim has also floated the idea of taking the company public, has fought GM on using an Australian-sourced 2-liter engine in export versions of the LeMans and has lost market share at home to rivals Kia and Hyundai, who are introducing new models at a faster rate.

Although officials from both companies paint a rosy picture of the Daewoo-GM relationship, strains are beginning to surface as the Korean conglomerate tries to flex its muscles at home and abroad.

GM finds itself in an unusual position with Kim. As head of one of Korea's largest conglomerates, or chaebol, as they are called, his relationship with the U.S. automaker is confined to joint ownership of the Daewoo Motor unit.

That hasn't put a damper on Kim's auto activities. Earlier this year, he signed a joint-venture arrangement with Suzuki, another GM partner, through the parent company, Daewoo Corp., to produce minicars and minivans in Korea.

And he has been traveling the globe making other deals as well.

The Czechs reportedly have accepted Kim's offer to buy 7,000 LeMans units starting early next year. GM officials in Europe said they are aware of the deal and that

see DAEWOO, page 51

AUTOMOTIVE NEWS/JOE WILSEENS

Reuss: GM is considering a three-crew, two-shift approach at plants producing hot-selling models

GM hopes to make its point

Reuss maps program to hike car-truck market share

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors expects to improve its car and truck market shares by at least one percentage point in the 1989 model year as industry sales reach 15 million for the fifth year in a row.

"I think we're going to have another good year," said Lloyd Reuss, GM executive vice president in charge of North American automotive operations. "You hear a lot of people talking about a recession, but I don't see one coming during the 1989 model year."

Reuss said GM expects to gain a percentage point of market share in cars and one to 1½ points in trucks in 1989.

All but four of GM's remaining assembly plants will be running on double shifts under the company's aggressive production schedules for 1989, and its truck plants are scheduled at or near capacity for the year, he said.

GM has no immediate plan to convert any car plants to truck production, though that is included in future contingency plans, he said.

Instead, the company will look for ways to boost truck capacity within existing facilities, mainly through productivity improvements.

Reuss said GM is considering for the future a three-crew, two-shift approach at plants producing hot-selling models, similar to one it has pioneered in Europe.

"It is an approach whose time has come," Reuss said, though he said it is unlikely it will be implemented in 1989. "We can't afford to have these big facilities not utilized at a high percentage of the time."

He predicted 1989-model-year car sales will be about 10 million units and trucks will be at least 5 million units. That would be slightly less than in the 1988 model year, which will probably surpass the 15-million mark, Reuss said.

Reuss predicted GM's car market share will reach 38 percent in 1989, compared to the 37 percent it is achieving for this calendar year and the 36 percent for the current model year.

Meanwhile, GM has gained 2.3 percentage points' penetration in light trucks in the 1988 model year. GM's truck share has been running at about 32½ percent.

Reuss said GM's production schedules are extremely aggressive, particularly in the fourth quarter of 1988. Production schedules for the rest of the 1989 model year are expected to be equally as aggressive, he said.

see REUSS, page 51

10-deal chain owes millions; in bankruptcy

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

CAMDEN, N.J. — A New Jersey dealer with 10 outlets has filed for bankruptcy as General Motors' financial arm has pressed for payment of $26 million and accused the dealer of selling $2.5 million worth of cars out of trust.

Richard T. Pepe of Vineland, N.J., and his wife, Virginia, who owns four of the dealerships, have filed for protection from creditors citing more than $50 million in liabilities against $54 million in assets.

Most of the debts are owed to lenders who floor-planned vehicles for the chain.

Affidavits submitted by General Motors Acceptance Corp. officials say the Pepes have total obligations of $26,903,746.47 and charge that two checks for about $900,000 were returned due to insufficient funds.

GMAC accused the Pepes of selling more than $2.5 million worth of cars out of trust without remitting the proceeds, court records said.

Other multimillion-dollar creditors include Midlantic National Bank in Pennsauken, N.J., and Chrysler Credit Corp.

The filing comes at a time when other large dealers are facing growing financial pressures.

The Pepes "have depleted all working capital and have no reasonable prospect of obtaining working capital to continue and, for all intents and purposes, they are insolvent," the GMAC affidavits said.

Pepe is one of New Jersey's largest dealers, with annual sales estimated at more than 10,000 vehicles, said Charles E. Walton, president of the 760-member New Jersey Automobile Dealers Association.

"The whole retail community is sad and disappointed to ever see a deficiency like this. It doesn't do the industry any good," Walton said.

"As a trade group, we're hoping Mr. Pepe can work out a reorganization plan that will satisfy his lenders, and we'll help any way we can," he said.

GMAC officials declined to comment on the case.

And Janise Kohnke, a spokeswoman for Richard Pepes' management company, Brookfield Management, said Pepe has been advised not to comment by his attorney, Kenneth Pagliughi.

The Pepes own 10 stores, all of which are in New Jersey. They include Pepe Olds-Pontiac-GMC

see BANKRUPT, page 50

RENEGADE

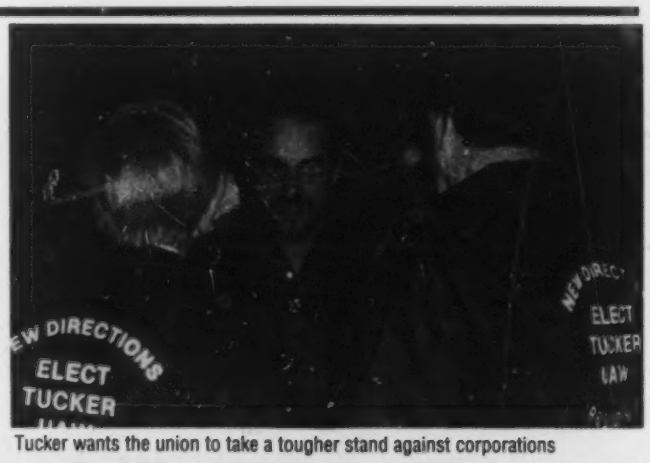
Tucker wins bitter 2-year fight for top post in UAW Region 5

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

TULSA, Okla. — Dissident UAW leader Jerry Tucker, who wants the union to take a tougher stand against corporations and mount more aggressive organizing drives, has won a powerful position in the UAW — the directorship of Region 5.

His victory spotlights an even wider gap between what management and top UAW international leadership say is their "new spirit of cooperation" and the way that many

see TUCKER, page 54



Tucker wants the union to take a tougher stand against corporations

Board changes bring new era at Toyota

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — On paper, the latest reshuffling of Toyota Motor Corp.'s board of directors looks like the usual biannual affair. However, the subtle changes this time pave the way for a new generation to take over Japan's largest automaker.

Board members outside the Toyoda family are required to step down when they reach 65 as a way of bringing in new blood. The recent changes do, indeed, reduce the average age of the directors from 57.8 to 55.7 years. While the difference is only two years, it represents a change of generations.

The Old Guard that led the company in its march to dominance in the Japanese market is leaving.

see TOYOTA, page 49

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NHTSA won't probe Samurai rollovers — Page 2
GM car prices, 1989 vs. 1988 — Page 6
Q&As with transplant exec — Pages 30-36

Autoworking Olympian

Workers at General Motors' press metal plant in Pontiac, Mich., took time for a send-off celebration for fellow worker Gary Morgan, who is heading for the Summer Olympics in Seoul, South Korea, this month.Morgan, 28, is considered an Olympic medal contender in racewalking. He won the 20-kilometer race at the Olympic trials in July. From 6 a.m. to 2:30 p.m. daily, Morgan is an electrician at the plant, where he has worked for 10 years. After work, he heads for the park to work out for two hours or more. He walks 8-12 miles daily at seven to eight minutes per mile. Ironically, Morgan's coach of the past two years, Frank Alongi, works for Ford Motor Co. Alongi, a production development engineer, was an Olympic runner in 1948 and 1952 for Italy and coached two fellow runners to gold medals.Morgan said making the top 10 among the 40 to 50 Olympic competitors is a realistic goal. But with hot weather, he feels he has a shot at a medal. He has been racewalking for eight years, finishing ninth at the world championships in Rome last year and 16th in the 1984 Olympic trials.

AUTOMOTIVE NEWS/JOE WILSSENS

'89 CAFE up, but how high?

NHTSA: At least 0.5-mpg hike set

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Automakers know they are in for at least a 0.5 mpg increase in the fuel economy standards for the 1989 model year. How much more beyond that, however, will be decided at a NHTSA hearing next week.

The agency said it will set the limit between 26.5 and 27.5 mpg, the first increase in corporate average fuel economy since the agency rolled the standard back to 26.0 mpg in 1986.

If Transportation Secretary James Burnley and Vice President George Bush had their way, the standard would be abolished altogether.

Where NHTSA finally decides to set the limit could determine whether or not some makers will be liable for millions of dollars in penalties, and whether they can even afford to offer certain models.

Yet, General Motors and the Automobile Importers of America, which have petitioned NHTSA to keep the law at 26 mpg or lower, are confident NHTSA will set a 1989 CAFE standard that keeps them both out of trouble.

Congress set CAFE at 27.5 mpg beginning with the 1985 model year, but it allows NHTSA to set a standard that is "feasible." Using that authority, NHTSA rolled back the standard to 26.0 mpg for the 1986-88 model years.

Under the law, an automaker must pay $5 for each car it manufactures for each tenth-of-a-mile it falls short of the standard.

"In our case that would be $20 million if we fell one-tenth of a mile per gallon short," said Mark Kemmer in GM's Washington office. "If we are off by half a mile per gallon, we are talking $100 million. That's not going to happen because GM will not be put in a position of willful unlawful conduct," he said.

Kemmer said GM will tell NHTSA a CAFE standard higher than 26.5 mpg may force the automaker to curtail the production of some large cars and high-performance engines, or it could result in the company increasing its foreign sourcing.

see CAFE, page 49

Big 3, NADA, UAW fill politicians' coffers

By Laura Mait
SPECIAL CORRESPONDENT

WASHINGTON — As the Republican and Democratic parties enter the final stretch of the 1988 election campaign, contributions from automobile manufacturers and dealers favor Republican candidates.

Midyear Federal Election Commission records on political action committee contributions show dealers and manufacturers together donated $782,280 to Republicans vs. $621,612 to Democrats.

Meanwhile, true to tradition, the UAW outspent total dealer and industry donations to Republicans by donating $782,500 to Democratic candidates.

Although auto dealers gave more to Republicans, some key Democrats were also beneficiaries of dealer largesse. Both the National Automobile Dealers Association and the Auto Dealers and Drivers for Free Trade had given about $468,000 to candidates as of July. A good deal more money will undoubtedly be spent before the votes are counted this fall.

NADA's Dealers Election Action Committee split its money between 166 Republicans and 123 Democrats, with Republicans getting $275,250.

One of its largest contributions, $6,000, went to the campaign of vice presidential candidate Sen. Lloyd Bentsen, D-Texas, who also chairs the Senate Finance Committee.

The Auto Dealers and Drivers for Free Trade PAC favored Republicans even more by donating $322,550 to 187 Republicans while assisting just 89 Democrats.

Rep. Dan Rostenkowski, D-Ill., chairman of the House Ways and Means Committee, netted the largest of the group's donations with $7,500. His committee and the Senate Finance Committee played the leading roles in passing this year's omnibus trade bill.

Sen. Daniel Inouye, D-Hawaii, a possible successor to Senate majority leader Robert Byrd, D-W Va., received $7,000 from that PAC.

The committee also pumped $5,000 into the campaign of Sen. Robert Dole, R-Kan., for his unsuccessful quest for the Republican presidential nomination.

Manufacturers gave money a little more evenhandedly, although the gave slightly more to Republicans than to Democrats.

The Civil Involvement Program/General Motors contributed $66,680 to 104 Republican candidates as opposed to $54,533 given to 75 Democrats.

One of its largest donations, $3,500, went to Sen. John Danforth, R-Mo., the tireless advocate of increased vehicle safety.

Both Ford and Chrysler gave more to Democrats than to Republicans. The Ford Motor Co. Civic Action Fund gave $54,450 to 85 Republicans and $61,283 to 84 Democrats.

Ford also gave generously to Danforth, donating $5,000. In addition, the company joined the Auto Dealers and Drivers for Free Trade in its support of Rostenkowski, giving $4,000.

Chrysler Corp.'s Political Support Committee also favored the Democrats. Under the leadership of Chairman Lee Iacocca, who supports items on the Democratic agenda such as mandatory health care, fuel economy requirements and tougher trade policies, the company gave $148,083 to 164 Democrats and just $63,350 to 83 Republicans.

Its most vigorous support went to Danforth with $8,000, followed by Sen. Donald Riegle, D-Mich., a member of the Commerce and Finance committees, who received $7,100, and Bentsen with $6,000.

The UAW outspent all dealer and manufacturer donations to Republican candidates by giving $782,500 to Democrats.

The union gave $5,000 apiece to every Democratic presidential candidate except Sen. Joseph Biden of Delaware and former Sen. Gary Hart of Colorado. The party's eventual nominee, Michael Dukakis, however, declined all PAC money, including the $5,000 offered by the UAW.

It also donated $15,000 to both Rep. Jim Chapman, D-Texas, and Rep. Robert Clement, D-Tenn., and gave $10,000 apiece to the Senate campaigns of Sen. Jeff Bingaman, D-N.M.; Rep. Wayne Dowdy, D-Miss.; and Democrats Richard Licht of Rhode Island; Leo McCarthy of California and John Wickes of Indiana.

The UAW contributed $10,000 to the House campaigns of Rep. John Bryant, D-Texas; Rep. Alphonso Michael Espy, D-Miss.; Rep. Martin Frost, D-Texas; Rep. Richard Gephardt, D-Mo.; Rep. James Hayes, D-La.; Rep. Dennis Hertel, D-Mich.; Rep. Peter Kostmayer, D-Pa.; Rep. Nancy Pelosi, D-Calif.; Rep. Louise Slaughter, D-N.Y.; and Democratic candidates Phillip Cryts of Missouri and Douglas Stephens of Illinois.

ACTIVITIES OF AUTO-RELATED POLITICAL ACTION COMMITTEES

	Total Spent	— Democrats — Recipients	— Democrats — Total	— Republicans — Recipients	— Republicans — Total
NADA Dealers Election Action Committee	$468,863	123	$193,613	166	$275,250
Auto Dealers and Drivers for Free Trade PAC	468,650	89	146,100	187	322,550
GM Civic Involvement Program	121,213	75	54,533	104	66,680
Ford Motor Co. Civic Action Fund	115,733	84	61,283	85	54,450
Chrysler Corp. Political Support Committee	211,433	164	148,083	83	63,350
UAW Voluntary Community Action Program	793,900	247	782,500	5	11,400

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AUTOMOTIVE NEWS (ISSN 0005-1551) is published weekly except semiweekly the fourth week in May at 1400 Woodbridge, Detroit, MI 48207. Second-class postage is paid at Detroit, MI and at additional mailing offices. Postmaster: Send address changes to AUTOMOTIVE NEWS, Circulation Department, 965 E. Jefferson, Detroit, MI 48207.

GM affiliate sets up dealer tv programming

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors dealers who are subscribers of Automotive Satellite Television Network will have a programming choice in January when the automaker launches its own dealership training programs over the GM Dealer Satellite Network.

The new series is a televised version of GM University of Automotive Retailing, and will include sessions on sales, service and parts management.

Electronic Data Systems, a subsidiary of GM, has a 30-percent interest in ASTN, with rights to market ASTN to GM dealers and televise its own programs of importance to them.

ASTN and the GM network share rooftop satellite dishes and other cable equipment. "GM talks to its dealers over the system," said ASTN president Michael Smart. "I have no problem with GM presenting programs that are of interest to its dealers. GMAC has done it."

Marketing Educational Services, formed in 1969 as a part of the General Motors Institute's continuing education department, was acquired by the Troy, Mich.-based Sandy Corp. last year. It will use GM, EDS and Sandy Corp. photographic facilities to create the programs and link them to a satellite of another GM subsidiary, Hughes Electronics Corp., for distribution to dealers.

Smart said the agreement with EDS prohibits GM from offering programs competitive to ASTN. He was unaware of the kinds of educational sessions that Marketing Educational Services will offer dealers but conceded there could be a conflict.

"I'm not concerned as long as the programs are complementary and not competitive," he said. "The key is whether it is GM-specific. I would have a problem if the programs were something dealers of other manufacturers wanted to see."

Marketing Educational Services and EDS spokesmen said the sessions are indeed tailored specifically to GM dealers.

ASTN, now two years old, offers generic programs useful to all dealers and special programs for automotive companies. It has 3,600 dealer subscribers, charging them $4,620 annually.

GM's television network has 1,900 GM dealers, who will be asked to pay $2,340 annually for the Marketing Educational Services sessions.

Robert J. Bennett, vice president of Sandy Corp. and president of Marketing Educational Services, said the educational segments will be interspersed with interviews of GM executives and news that affects GM dealers.

Bennett said the programs may be televised simultaneously with programs offered by ASTN. He said the network will offer 12 sessions per month. GM will televise a promotional pilot video for the series Sept. 6-8.

AUCTION DATES

Chrysler Motors

Sept. 6 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 7 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; and Southern Auto Auction, Warehouse Point, Conn.

Sept. 8 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 9 — St. Louis Auto Auction, Bridgeton, Mo.

Sept. 13 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 14 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 15 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Salt Lake Auto Auction, Salt Lake City; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 16 — Manheim Auto Auction, Manheim, Pa.

Sept. 20 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Southern Auto Auction, Warehouse Point, Conn.

Ford Motor Co.

Sept. 7 — Atlanta Auto Auction, Red Oak, Ga., and Newburgh Auto Auction, Newburgh, N.Y.

Sept. 8 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Sept. 15 — Baltimore-Washington Auto Exchange, Baltimore; Texas Hobby Auto Auction, Houston; and Southwest Auto Auction, Chandler, Ariz.

Sept. 20 — South Seattle Auto Auction, Kent, Wash.

Sept. 21 — Wednesday Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Sept. 22 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

Sept. 7 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Sept. 8 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Colorado Auto Auction, Commerce City, Colo.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 13 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; Harrisonburg Auto Auction, Harrisonburg, Va.; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Sept. 14 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 15 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 20 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

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TENNESSEE

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TEXAS

Fort Worth Auto Auction (div. of GECAA), 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Milikien, 512-661-4200.

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So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

NORTH CAROLINA

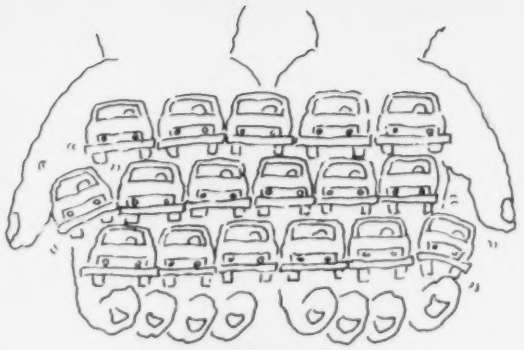
4th ANNIVERSARY
$10,000 CELEBRATION
MONDAY, SEPT. 12TH, 1988 — 11:00 AM
FOR — YOU — OUR — DEALERS
This year Bigger and Better — Aug. 1, 1988 thru Sept. 12th, 1988
7 Weeks - Something Special Every Monday
BE HERE EACH AND EVERY MONDAY
FREE LUNCH
1½ ton Bar-B-Q Chicken with all the trimmings, cooked on the grounds
Serving: 12:00 until 4:00 PM.
CASH
Drawing for 5 - ($100.00) - 11:00 AM
Drawing for $1,000.00 - At End of Sale
PRIZES
TVs, Watches, Briefcases, Coolers and lots of other prizes at beginning, during and end of sale

For High Buyers and Sellers:

BUYERS	SELLERS
$500.00 1st Place	$500.00 1st Place
$400.00 2nd Place	$400.00 2nd Place
$300.00 3rd Place	$300.00 3rd Place
$200.00 4th Place	$200.00 4th Place
$100.00 5th Place	$100.00 5th Place

YOU OUR DEALERS HAVE MADE THIS POSSIBLE, SO THANKS A MILLION!
THE BEST AUCTION ACTION ON THE EAST COAST
INDEPENDENTLY OWNED AND OPERATED
AYCOCK — AUTO — AUCTION
P.O. Box 760
Kenly, North Carolina
Kenneth Aycock, Owner
SALE EVERY MONDAY 11:00 A.M.
FOUR LANE SELLING
Registration Fee: $10.00
High Caliber Independent Auction
The Best in the State of N.C.
The Friendly Auto Auction
Seeing is believing Come see for yourself
35 miles East of Raleigh, N.C.
PHONE: 919-284-4052
(THE AUCTION WHERE BUYER & SELLER PROFIT)
Member: N.A.A.A. • C.I.A.D.A. • V.I.A.D.A. • S.A.A.A.
Insurance by: **AUCTION INSURANCE AGENCY**
I-95 South Exit 105 Bagley Road Opposite Side I-95 From Honeycutt Truck Stop

AUCTION OWNERS: REACH THE "BIG" FLEETS



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Call Marie Hingst, Auction Directory Manager at (313) 446-6065 to place your ad.

"Sell The Big Sellers".

Used Car Sales
Auction Averages

August 88	$6,102
Month ago	$5,956
Year ago	$6,065

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$13,008	$11,408	$112,545
1987	8,008	8,407	8,668
1986	7,016	6,830	7,327
1985	5,880	5,881	5,801
1984	4,316	4,378	4,534
1983	3,626	3,718	3,721
1982	2,544	2,464	2,529
1981	1,865	1,952	1,932
Overall Average	$ 6,102	$ 5,855	$ 5,800